

Employment Agreement  
(Loan Officer Sales Associate)

This Employment Agreement (the "Agreement") dated this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,

by and between

\_\_\_\_\_, (the Company)

having its principal office located at

\_\_\_\_\_

and

\_\_\_\_\_ (the "Employee")

residing at

\_\_\_\_\_

For good consideration, the Company employs the Employee on the following terms and conditions:

1. Duties and Position:

The Company hires the Employee in the capacity of a Commissioned Loan Officer Sales Associate and will pay Employee as an outside commissioned salesperson. The Employee's primary responsibility is to assist the Loan Officer to originate potential borrowers and mortgage loan applications for the exclusive benefit of the Company and to assist the Company to sell and fund mortgage loans. The Employee's duties are listed on attached Schedule B, which responsibilities may be reasonably modified at the Company's discretion from time to time as outlined in Company manuals or notices. The Employee agrees to comply with all State and Federal laws in effect governing the origination of residential mortgage loans, including rules of RESPA disclosure.

2. Manner or Performance of Employee's Duties:

Employee shall, at all times faithfully, industriously, and to the best of his or her ability, experience, and talent, perform all duties that may be required from him or her, pursuant to the express and implicit terms hereof, to the reasonable satisfaction of the Company.

3. Compensation: The Company shall compensate the Employee as a commission paid employee as authorized by the Employee's Loan Officer Associate on a commission split authorization form. Commissions will be reconciled and paid after commissions are earned on funded mortgage loans through the Company. See Schedule A for payment terms.

4. Employment at Will: Employee acknowledges that employment with the Company is on an "At-Will" basis, and either the Company or the Employee may terminate employment, in writing, at any time with or without cause.

5. Employee's Loyalty to the Company's Interests: Employee expressly agrees that during the term of this Agreement, he or she will not engage in any form, fashion, or manner, as loan originator, partner, officer, director, advisor, or employee in any other mortgage business outside of the Company, or any allied business unless otherwise agreed in writing.

6. Employee's Commitments Binding on Employer only on Written Consent: Employee shall not have the right to make any contract or other commitments for or on behalf of the Company without the written consent of the Company. The Employee shall not misrepresent his or her relationship with the Company to any third party or parties, nor misrepresent the Company's rights and obligations to any third party or parties.

7. Non Disclosure: The Employee acknowledges that Employee may have access to Company confidential and proprietary information concerning its' financial condition, business operations, employee and client lists, software, manuals, and other intellectual property, and employee agrees to hold such information confidential and not disclose same to any unauthorized third parties.

8. Assigned Territory, Quotas, and Exclusive Rights: Employee shall have no exclusive territory and is restricted to mortgage loans on residential properties residing in states wherein the Company is licensed to conduct business. Furthermore, no exclusive rights are hereby granted to Employee by this Agreement.

9. Indemnification: The Company and Employee hereby mutually hold each other harmless, and forever indemnify each other, their officers, directors, employees, associates, and agents, from any and all damages, causes of action at law or equity, or other liability of any nature, whether direct, indirect, consequential or otherwise, including but not limited to any partner, shareholder, officer, director, employee, associate, or agent of the Company, or employee. The foregoing release and indemnification provisions shall not apply to:

(1) in the case of the Company; any criminal negligence or willful misconduct of the Company, its' officers, directors, employees, associates or agents, or, (2) in the case of Employee; any criminal negligence or willful misconduct of Employee, its' officers, directors, employees, associates or agents, or (3) any failure on the part of the Company or Employee to comply with any provisions of State or Federal law and statutes.

10. Modification: No modification of this Agreement or any covenant, condition, or limitation herein contained shall be valid unless in writing and duly executed by both parties. Furthermore, no evidence of any modification shall be offered or received in evidence in any proceeding, arbitration, or litigation between the parties arising out of, or affecting this Agreement, or the rights or obligations of any party hereunder, unless such modification is in writing, duly executed as aforesaid.

11. Severability: If, for any reason, any provision of this Agreement is held invalid, all other provisions of this Agreement shall remain in effect.

12. Contract Governed by Law: This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of

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13. Attorney's Fees: In the event of litigation or arbitration to enforce this Agreement, the party seeking to enforce the Agreement, if successful, shall be entitled to all reasonable attorney's fees, paralegal fees, and costs incurred, including those incurred at the trial and appellate levels.

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Authorized Representative

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Employee Signature

Schedule A  
Loan Officer Sales Associate Payment Terms

Employee's total compensation will consist of commissions earned from loan origination fees resulting from mortgage loans funded through the Company. Upon termination of Employee's employment for any reason, Employee shall be eligible to receive commissions on all mortgage loans funded on or before Employee's termination date. Employee is not entitled to a commission for any mortgage loans funded beyond the date of termination. Commissions will be paid on a biweekly payroll basis on mortgage loans funded during the respective payroll period. No Commissions will be paid for which government regulations prohibit making such payments. No Employee, who is also a Real-Estate Agent, shall be paid commission on an FHA or VA loan for a purchase for which the Employee is receiving anything of value from the real-estate transaction.

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Employee's Signature

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Print Name

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Date

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Signature of Authorized Company Representative

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## Schedule B

### Loan Officer Sales Associate Duties

- 1) Explain the Loan Process
  - A. Explain to the prospective borrower the steps followed in applying for and being approved for a loan.
  - B. Explain how credit, loan-to-value, and income factors affect the ability to receive a loan.
  - C. Explain what paperwork and documents will need to be gathered to submit for a loan application.
  
- 2) Assist with Pre-qualifying the Borrower
  - A. Explain the pre-qualifying process.
  - B. Explain the need to be pre-qualified.
  - C. Obtain from the borrower the needed information to obtain a pre-qualification and submit this information to the company on approved forms.
  
- 3) Explain the various Loan Programs
  - A. Explain the difference between Fixed and Adjustable rate loan programs.
  - B. Explain the difference between Full Doc, Stated Income, and No Doc loan programs.
  - C. Explain how the payment of Points can lower the interest rate available on a loan.
  - C. Explain the costs of the loan to the borrower and how the Appraiser, Title Company, Lender, and Mortgage Company are paid from the loan fees.
  
- 4) Application and Disclosures
  - A. Explain the loan application process.
  - B. Assist with obtaining borrower signatures on loan applications and disclosure documents.
  - C. Assist the company to obtain any required documents from the borrower to process the loan application.
  - D. Explain the necessity for a credit report and obtain authorization from the borrower for the company to obtain the borrower's credit report.
  - E. Explain to the borrower how their loan might be jeopardized by a change in job status, shopping for credit, adding additional debts, or changes in their bank account status immediately before and during the loan-processing period prior to loan funding.
  - F. Explain the steps required to complete the loan process;
    - 1) the loan application,
    - 2) loan processing,
    - 3) lender underwriting and approval,
    - 4) signing the loan documents at the title company,
    - 5) the lender funding the loan.

The above list represents the various tasks that the loan officer sales associate will be involved with to accomplish the selling and processing of the mortgage loans for the company. Loan officers and loan processors will assist the loan officer sales associate in these duties as needed.

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